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WHEN RECORDED RETURN TO:

Victor A. Taylor, Esq.  
Parr Waddoups Brown Gee & Loveless  
185 South State Street, Suite 1300  
Salt Lake City, Utah 84111-1536  
telephone: (801) 532-7840  
telecopier: (801) 532-7750

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02/08/2001 04:31 PM NO FEE  
Book - 8422 Pg - 8702-8711  
BRADLEY A SNOW  
CHIEF DEPUTY RECORDER, SL CO, UT  
LANDMARK TITLE  
BY: ZJH, DEPUTY - WI 10 P.

Parcel No. 16-06-152-076-2000 &  
16-06-152-076-6001

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the Redevelopment Agency of Salt Lake City ("Grantor") prepared, and Salt Lake City, through its city council and an Ordinance approved, a Redevelopment Plan dated May 1, 1982, which plan as it may be amended from time to time is known as the "C.B.D. Neighborhood Development Plan" and is referred to herein as the "Plan." The Plan covers, among other parcels of real property, Block 57 in Salt Lake City, Utah. The Plan is for the C.B.D. Neighborhood Development Area (hereinafter referred to as the "Project"). The Plan, as it exists on the date hereof, is on file in the Office of the Salt Lake City Recorder; and

WHEREAS, Grantor is owner and holder of record of fee simple title to certain real property located on Block 57 and in the Project area; and

WHEREAS, pursuant to the Plan and the Utah Neighborhood Development Act ("Act"), Grantor is authorized to sell individual portions of land in the Project area;

NOW, THEREFORE, THIS SPECIAL WARRANTY DEED ("Deed"), made this 1st day of February, 2001 by and between Grantor, acting herein pursuant to the Act, and ARCADE DEVELOPERS, LLC, a Utah limited liability company (hereinafter referred to as the "Grantee");

WITNESSETH:

Pursuant to Section 4.3 of the Declaration (as defined below), Grantor hereby adds the following to the permitted uses for the Property (as defined below) that are set forth in the Block 57 Master Plan, revised June 1992: restaurants, private clubs and retail uses. As used in the immediately preceding sentence, "Declaration" means the Declaration of Covenants, Conditions, Restrictions and Easements Pertaining to a Portion of the Surface of Block 57, Salt Lake City, Utah, dated June 30, 1995 and recorded July 3, 1995 as Entry No. 6113370 in Book 7180 at Page 1501 of the official records (the "official records") of the Salt Lake County Recorder, as amended by (i) the First Amendment of the Declaration of Covenants, Conditions, Restrictions and Easements Pertaining to a Portion of the Surface of Block 57, Salt Lake City, Utah, dated December 20, 1996 and recorded January 17, 1997 as Entry No. 6551315 in Book 7579 at Page

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1911 of the official records, and (ii) the [Second] Amendment of Declaration of Covenants, Conditions, Restrictions and Easements Pertaining to a Portion of the Surface of Block 57, Salt Lake City, Utah, dated August 1, 1999 and recorded November 10, 1999 as Entry No. 7509878 in Book 8322 at Page 1631 of the official records.

For and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, the Grantor does, by this Deed, convey unto the Grantee fee simple title, together with all and singular, all right, title and interest of Grantor in and to any strips or gores of land, and in, to and under the land in the streets, sidewalks and alleys adjoining the Property, and in and to all hereditaments, appurtenances, privileges, easements, franchises, rights, appendages and tenements thereunto belonging or in anywise appertaining, in and to the land and premises, situated in Salt Lake City, Salt Lake County, Utah and more particularly described in Exhibit "A" which is attached hereto and incorporated herein by this reference ("Property"); and

The Grantor covenants that it will and does hereby warrant specially the Property against all claiming by, through or under it and none other, subject to the exceptions to title, covenants, easements and agreements set forth in Exhibit "B" attached hereto. The following express conditions and covenants are to be taken and construed as running with the land and the Grantee hereby binds itself and its successors, assigns, grantees, and lessees to these covenants and conditions which covenants and conditions are as follows:

FIRST: Grantee agrees that the Property shall be subject to the use restrictions, for the respective periods, set forth below ("Brooks Arcade Use Restrictions"). (Capitalized terms in this Deed, except as otherwise defined in this Deed, shall have the meanings set forth in the Development Agreement ("Development Agreement"), dated of even date with this Deed, entered into between Grantor and Grantee.) The Brooks Arcade Use Restrictions are as follows:

1. Ten thousand rentable square feet of the total rentable square feet on the ground floor of the Building (the precise ten thousand square feet to be designated by Grantee from time to time or at any time, in its sole and absolute discretion) shall only be used or occupied for one or more of the following uses (the "Identified Uses"): restaurants, private clubs, retail (other than retail catering primarily to business customers), public uses, and cultural uses. Grantee may, but is not required to, use more than ten thousand rentable square feet on the ground floor of the Building for the Identified Uses. The restriction in this paragraph 1 shall be satisfied fully during any period that ten thousand rentable square feet on the ground floor of the Building are (a) unoccupied, and/or (b) occupied for one or more of the Identified Uses. This paragraph 1 shall automatically terminate and have no further force or effect on the date that is twenty-five years after the date of this Deed.

2. During the first four years following the issuance of the Certificate of Completion, Alphagraphics, Inc. (or its successor) shall, subject to casualty, condemnation or Force Majeure, maintain its corporate headquarters in the second and third floors of the Building. This paragraph 2 shall automatically terminate

and have no further force or effect on the date that is four years after the issuance of the Certificate of Completion.

During the period ending four years after the date of issuance of the Certificate of Completion, Grantee shall make available to Grantor pertinent records and copies of leases requested in writing by Grantor to determine compliance with the Brooks Arcade Use Restrictions. In the event of a default of either of the Brooks Arcade Use Restrictions during the first four years following the issuance of the Certificate of Completion that is not cured within 60 days following written notice from Grantor to Grantee describing in reasonable detail the nature of the default, then Grantee shall, within 90 days following receipt of such written notice of default, repay to Grantor 25% of the Grant (\$425,000.00). This provision shall apply to four separate periods, the first being from the issuance of the Certificate of Completion to one year following issuance of the Certificate of Completion, and the remaining three periods being the second, third and fourth consecutive periods of one year each following completion of the first period. The occurrence of a default during any period for which notice is given shall, in the event of a failure to cure within said 60 day period, result in the required repayment of one-fourth of the Grant, so that, for example, uncured defaults occurring in each of the four periods would result in repayment of the entire Grant. This paragraph shall automatically terminate and have no further force or effect on the date that is four years after the issuance of the Certificate of Completion.

SECOND: The Grantee shall pay real estate taxes or assessments on the Property or any part thereof, when due, and until the Grantee has obtained the Certificate of Completion, shall not place thereon any encumbrance or lien other than for construction or permanent financing or refinancing of construction of the Developer Improvements on the Property; provided, however, that if any non-consensual lien is recorded against the Property (such as a mechanic's lien), Grantee shall have a reasonable period of time (but not less than 60 days) to cause such lien to be removed or insured or bonded over. On written request by Grantee, Grantor shall execute and deliver to the holder of any such financing an estoppel certificate, non-disturbance agreement or other similar agreement reasonably addressing such matters as such holder shall reasonably request.

THIRD: The Grantee shall commence promptly the construction of the Developer Improvements on the Property in accordance with the Development Agreement and shall, subject to Force Majeure, prosecute diligently the construction of said Developer Improvements to completion in accordance with the Development Agreement.

FOURTH: Until the Grantee has obtained the Certificate of Completion, the Grantee shall have no power to convey the Property or any part thereof without the prior written consent of the Grantor except to a mortgagee, trustee or beneficiary under a mortgage or deed of trust related to the financing described in covenant numbered SECOND.

FIFTH: The Grantee agrees for itself and any successors in interest not to discriminate or segregate any person or group of persons on the basis of race, creed, color, religion, sex, marital status, age, disability, ancestry or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or any part thereof or of any Developer Improvements erected or to be erected thereon or any part thereof. Neither shall Grantee itself nor any person claiming under or through it establish or permit any such practice or practices of

discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, or vendees in the Property or any improvements erected or to be erected thereon, or any part thereof.

SIXTH: Grantee agrees to maintain for the benefit of the general public, so long as the Building stands, an open space corridor with a total of twenty (20) feet in width, being the most westerly twenty (20) feet of the Property running from 300 South Street northerly to the North line of the Property (the "Corridor"). No improvements may be located within the Corridor other than landscaping, including watering system, and hard surfacing of the ground with concrete, brick or similar material (but excluding asphalt). Locked gates may be installed for late night hours so long as Grantor reasonably deems their use appropriate for the safety of the general public. All improvements shall be in accordance with plans approved by Grantor pursuant to the Development Agreement and thereafter pursuant to modifications submitted to the Grantor, or its successors in interest, from time to time for approval. Grantee, its successors and assigns, shall maintain the Corridor in a reasonably clean condition and shall keep the improvements therein in good repair. Notwithstanding anything to the contrary contained in this covenant numbered SIXTH, such covenant shall not limit Grantee in any way in its development of the real property below the surface of the Corridor including, without limitation, the construction of improvements for underground parking and vehicular and pedestrian ingress and egress.

Grantee shall, at Grantee's expense, cure any breach or violation of the terms of this covenant numbered SIXTH within ten (10) business days after receiving written notice thereof, or if such breach or violation cannot be cured within such ten (10) day period, then within any such longer period as may reasonably be required to cure such breach or violation, so long as Grantee commences the cure within said ten (10) day period and thereafter diligently pursues the cure to completion. If Grantee fails so to cure, Grantee shall pay the costs and expenses, including reasonable attorney fees incurred by Grantor, for any action reasonably necessary to enforce the terms hereof, including the curing of any breach or violation of the terms of this covenant numbered SIXTH. In addition, Grantor shall have the following rights which shall be cumulative and shall be in addition to any other rights and remedies available to Grantor, at law or in equity: (1) to require restoration of the Corridor to its condition after improvements are made pursuant to the Development Agreement, reasonable wear and tear excepted, as a result of the requirements for repair, restoration or maintenance contained in this covenant numbered SIXTH; (2) to enjoin any further breach or enforce any covenant hereof by action in an appropriate court of competent jurisdiction; (3) to recover damages for any breach of the conditions hereof as required by this covenant numbered SIXTH; and/or (4) to enter upon the Property, correct any such violation, and hold Grantee, its successors, and/or assigns, liable for the reasonable cost thereof, and, any amounts expended by Grantor to correct said violation, such amounts to accrue interest at the rate of one percent (1%) per month until paid. Remedies of law for any violation of the terms of this covenant numbered SIXTH may be inadequate, and, in such event, injunctive relief, both prohibitive and mandatory, shall be appropriate in addition to such other relief to which the enforcing party may be entitled, including specific performance.

The covenants and agreements contained in covenants numbered FIRST shall terminate in accordance with their respective terms. The covenants and agreements contained in covenants numbered SECOND, THIRD, and FOURTH shall automatically terminate and thereafter be of no further force or effect on the date the Grantor issues the Certificate of Completion. (The

termination of the covenant numbered SECOND shall in no way be construed to release Grantee from its obligation to pay real estate taxes or assessments on the Property or any part thereof.) Grantee may record the Certificate of Completion to give record notice of such termination. In addition, on request of Grantee following the termination of any of the covenants set forth in this Deed, Grantor shall promptly execute, acknowledge and deliver to Grantee an instrument in recordable form and otherwise in form and substance reasonably satisfactory to Grantor and Grantee which confirms such termination. Grantee may, at its sole cost, cause any such instrument to be recorded in the official records of the Salt Lake County Recorder. The covenants numbered FIFTH and SIXTH shall remain in effect in perpetuity.

In case of the breach or violation of any one of the covenants numbered SECOND, THIRD and/or FOURTH (but no other covenant) at any time prior to the time the Grantor issues the Certificate of Completion, and in case such breach or such violation shall not be cured, ended or remedied within 30 days after written demand by the Grantor so to do with respect to the covenant numbered SECOND, THIRD and/or FOURTH, or if such cure, end or remedy would reasonably require more than 30 days, in case Grantee does not commence to effect such cure, end or remedy within such 30 day period and thereafter diligently prosecute such cure, end or remedy to completion, or any further extension thereof that may be granted by the Grantor in its sole discretion, provided that the holder of any first position mortgage or deed of trust on the Property shall have the right to cure, end or remedy any such breach or violation following Grantee's failure to do so within the applicable cure period, so long as such holder commences to do so within 30 days after such failure, and diligently prosecutes the same to completion, allowing for completion of foreclosure proceedings, if necessary, then all estate conveyed under this Deed shall cease and terminate following Grantor's exercise of the power of termination and the right of re-entry for condition broken, which exercise must be evidenced by a notice recorded in the official records of the Salt Lake County Recorder, referencing this Deed, and title in fee simple to the same shall revert to and become revested fully and completely in it, and said Grantor, its successors or assigns, shall be entitled to and may of right enter upon and take possession of the Property, provided that any such revesting of title to the Grantor:

(1) Shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way:

(i) the lien of any mortgage or deed of trust related to the financing described in covenant numbered SECOND; and

(ii) any rights or interests provided for the protection of the trustees or beneficiaries in any such deed of trust or for the holders of any mortgage.

(2) In the event that title to said Property or part thereof shall revert in the Grantor in accordance with the provisions of this Deed, the Grantor shall, pursuant to its responsibilities under applicable law, use its reasonable efforts to resell the Property or part thereof, subject to such mortgage liens related to the financing described in covenant numbered SECOND, as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law, to a qualified and responsible party or parties as determined by the Grantor, who will assume the obligations of making or completing the Developer Improvements or such other improvements in their stead as shall be satisfactory

to the Grantor and in accordance with the uses specified for the Property or any part thereof in the Plan. Upon such resale of the Property, the proceeds thereof shall be applied:

First, to reimburse Grantor, on its own behalf, or on behalf of Salt Lake City, for all cost and expenses of Grantor incident to the sale and/or conveyance of the Property, or portions thereof, for all costs and expenses incurred by Grantor, including but not limited to salaries to personnel, in connection with the recapture, management and resale of the Property or portion thereof (but less any income derived by Grantor from the Property or portion thereof in connection with such management); all taxes, assessments, and water, sewer and other utility charges with respect to the Property or portions thereof; any payments made or necessary to be made to discharge or prevent from attaching or being made by any subsequent encumbrances or liens due to obligations, defaults or acts of Grantee, its permitted successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Developer Improvements or any part thereof on the Property or portion thereof; and any amounts otherwise owing Grantor by Grantee and its permitted successors or transferees; and

Second, to reimburse Grantee, its permitted successors or transferees, up to the amount equal to (1) the sum of the purchase price paid to Grantor by Grantee for the Property or allocable to the portion thereof; (2) the costs incurred for the development of the Property or the portion thereof and for the improvements existing on the Property, at the time of the reentry and repossession; less (3) any gains or incomes withdrawn or made by Grantee from the Property or the portion thereof or the improvements thereon.

Any balance remaining after such reimbursement shall be retained by Grantor.

The Grantor shall be deemed a beneficiary of covenants numbered FIRST through SIXTH, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants related. As such a beneficiary, the Grantor, in the event of any breach of any such covenant, shall have the right to exercise all rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach, to which beneficiaries of such covenants may be entitled.

IN TESTIMONY WHEREOF, the Grantor caused these presents to be signed in its name on February 2, 2001 by Ross C. Anderson, Chief Administrative Officer, and by Lawrence S. Catten, Executive Director.

GRANTOR:

APPROVED AS TO FORM:

THE REDEVELOPMENT AGENCY OF SALT LAKE CITY, a public agency

FABIAN & CLENDENIN,  
a Professional Corporation

By   
George D. Melling, Jr.

By   
Ross C. Anderson  
Its Chief Administrative Officer

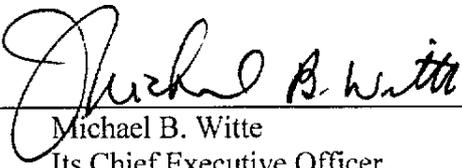
By   
Lawrence S. Catten  
Its Executive Director

IN TESTIMONY WHEREOF, the said Grantee has caused these presents to be signed in its name on February 2, 2001.

GRANTEE:

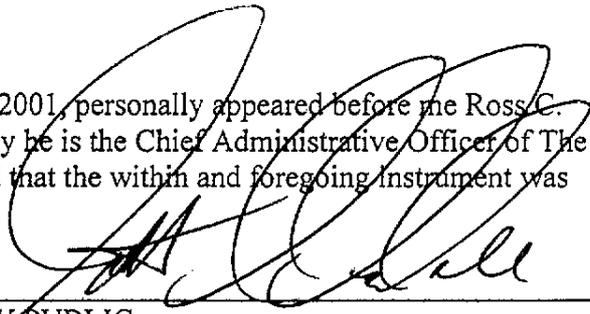
ARCADE DEVELOPERS, LLC,  
by its Manager:

ALPHAGRAPHICS, INC.,  
a Delaware corporation

By   
Michael B. Witte  
Its Chief Executive Officer

STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

On the 2nd day of February, 2001, personally appeared before me Ross C. Anderson, who being by me duly sworn did say he is the Chief Administrative Officer of The Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of said Agency.



NOTARY PUBLIC

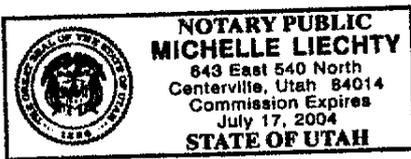


STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

On the 1st day of February, 2001, personally appeared before me Lawrence S. Catten, who being by me duly sworn did say he is the Executive Director of The Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of said Agency.

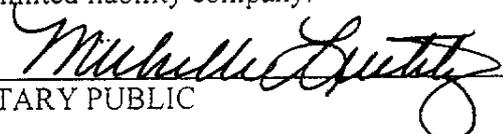


NOTARY PUBLIC



STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

On this 1st day of February, 2001, personally appeared before me Michael B. Witte, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) and who by me duly sworn, did say that he is the Chief Executive Officer of Alphagraphics, Inc., the Manager of Arcade Developers, LLC, and that said document was signed by him in behalf of said corporation by authority of its bylaws, in behalf of said limited liability company by authority of its operating agreement, and he acknowledged to me that said corporation executed the same on behalf of said limited liability company.



NOTARY PUBLIC



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EXHIBIT "A"

BEGINNING at the Southeast corner of Block 57, Plat "A", Salt Lake City Survey, and running thence North 89°50'34" West along the South line of Block 57 a distance of 145.12 feet to the East line of the parcel of land conveyed to AMERICAN STORES PROPERTIES, INC., a Delaware corporation, in that certain Fully Restated Special Warranty Deed With Final Easement Descriptions recorded November 10, 1999 as Entry No. 7509877 in Book 8322 at Page 1621, of the Official Records of the Salt Lake County Recorder; thence North 0°08'14" East along said East line of the American Stores parcel a distance of 211.56 feet to the South line of Gallivan Avenue; thence South 89°57'13" East along said South line of Gallivan Avenue a distance of 145.12 feet to the East line of said Block 57; thence South 0°08'14" West along said East line of Block 57 a distance of 211.84 feet to the point of BEGINNING.

TOGETHER WITH the appurtenant easements, rights, benefits and privileges which are created or provided for in that certain Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded July 3, 1995 as Entry No. 6113370 in Book 7180 at Page 1501 of the Official Records, as amended and affected by a First Amendment Of The Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded January 17, 1997 as Entry No. 6551315 in Book 7579 at Page 1911 of the Official Records, and by an Amendment Of Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded November 10, 1999 as Entry No. 7509878 in Book 8322 at Page 1631 of the Official Records.

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EXHIBIT "B"

The Property is subject to the following:

1. Current taxes and assessments.
2. The Plan, as disclosed by instrument recorded November 28, 1984 as Entry No. 4020604 in Book 5609 at Page 1953 of the official records.
3. The Declaration.
4. Agreement Creating 10 Foot Open Space Easement, recorded January 26, 1998 as Entry No. 6846582 in Book 7862 at Page 375 of the official records.